

MEMORANDUM

November 14, 2019

To: Superintendent Dr. Theresa Battle and Members of the School Board

From: Dr. Roger B. Worner, Project Consultant/Facilitator, Roger Worner Associates, Inc.

Subject: Recommendations on School Closings, Burnsville-Eagan-Savage School District #191

ORGANIZATIONAL ANALYSIS STUDY

Baker Tilly Municipal Advisors, LLC, St. Paul, MN was engaged by the leadership of Burnsville-Eagan-Savage School District #191 to undertake an Organizational Analysis Study on behalf on the school district during the Spring of 2019. Baker Tilly representatives contracted with Roger Worner Associates, Inc. to conduct the formal study and tender recommendations to the Superintendent and School Board.

Drs. Roger and Kay Worner were engaged as the Organizational Analysis Study Consultants.

The four month study included analyses of the school district's enrollment/enrollment trends, finances, programs and services, staffing, and facilities. Methodologically, the study entailed interviews of School Board members, the Superintendent, key District Office administrators, building Principals, and random teaching staff members and students; document analysis; data analysis; select comparative data analyses; building tours; and numerous informal (non-interview) conversations with school and non-school personnel.

The study resulted in the preparation and delivery of a 57 page study document. The study report tendered 11 recommendations to the School Board and Superintendent. For the purposes of this memorandum, two of the

recommendations are particularly salient and a third recommendation is worthy of inclusion as it has, from the Project Consultants' perspectives, a bearing on the School Board's and Superintendent's decisions regarding future school closures and/or the timing of decision(s) regarding future school closures.

Then, for the purposes of this memorandum, the three salient recommendations are as follows:

- Close two elementary schools effective at the conclusion of the 2019-20 organizational year.
- Close one middle school effective at the conclusion of the 2019-20 organizational year.
- Market and sell the Diamondhead Education Center and relocate the facility's staff, programs, and services to the closed middle school as expeditiously as possible.

The recommendations were significantly and substantially predicated on (1) the school district's past enrollment decline, (2) the school district's future, projected enrollment decline, (3) the assessed under-utilization of the school district's elementary and middle level schools – leading to increased cost/ineffectiveness – resulting from past and future, projected enrollment decline; (4) a declining General Fund balance; and (5) past and future, projected General Fund budget reductions (cost cutting measures).

COMMUNITY ENGAGEMENT PROCESS

The Superintendent and School Board displayed a commitment to be fully transparent with its parents and publics about the contents of Organizational Analysis Study with particular focus on the possibility of school closures. Toward those ends, the school district posted the entire Organizational Analysis Study on its website. It also requested that the school district's administrative staff structure a series of community engagement meetings to provide parents and patrons the opportunity to learn more about the Organizational Analysis

Study with particular focus on the undergirding logic for the recommendations for closing two elementary and one middle level schools.

The school district engaged the services of Dr. Roger Worner, Roger Worner Associates, Inc., to serve as the community engagement meeting(s) Facilitator with the assistance of school district Assistant Superintendent Brian Gersich.

Eight meetings were scheduled during which the Facilitator presented with additional commentary by the school district's Assistant Superintendent. Those presentations were as follows: Administrators (9/17); Design Team (9/23); Eagle Ridge School (10/2); Metcalf School (10/7); Community Leaders (10/8); Nicollet School (10/9); Hispanic (10/14); Somali (10/15). Additionally, building Principals presented to their faculties in each of the school district's schools.

The Facilitator delivered a 30-35 minute power point presentation at each of the community engagement meetings which included purpose, roles, General Fund budget decline, past and projected budget reductions, past enrollment decline, projected enrollment decline, square foot/student building standards; actual building enrollment and square foot/student; actual building utility costs/square foot.

Meeting participants were informed that, were school(s) to be closed, boundary lines would need to be redrawn, and redrawing boundaries may impact multiple buildings. Further, participants were informed of principles/value sets to which the school district's administrative staff and School Board will conform in the event decisions are made to institute school closure(s).

At the conclusion of the community engagement presentations, participants were asked to provide ADVISORY feedback on Individual Feedback Forms and, subsequently, furnish individual or group open-ended commentary on questions prepared by the administrative staff (responses to these questions were not a consensus of the small groups recording the feedback).

Responses to the following question/statements were requested of community engagement meeting participants on the Individual Feedback Form:

- Is there probable cause for the Superintendent and School Board to consider the closing of one or more school district schools?**

- Consider the **THREE** most important factors that should be considered when choosing which schools to close and rank them in order from 1 to 3 (1 being the most important). (Seven factors were provided on the Form with an additional open-ended Other...fill in the blank space...factor option made available for participants to employ as deemed fitting).

INDIVIDUAL FEEDBACK FORM FEEDBACK

ADVISORY feedback was secured from those participants at five community engagement meetings and the school district's administrative staff and 15 school building faculties. The findings were as follows:

Probable cause for considering the closing of one or more school district schools?

- **Composite community engagement meetings:** YES: 260 (67.9%); NO: 95 (24.8%); No Opinion: 28 (7.3%); YES % ALL MEETINGS: 83.8%; 82.5%; 86.1%; 63.4%; 45.3%
- **Administrative team meeting:** YES: 14 (100.0%); NO: 0 (0.0%)
- **Composite school faculty meetings:** YES: 237 (93.3%); NO: 11 (4.3%); No Opinion: 6 (2.4%). 14 school faculties voted strong majorities, YES. One school faculty voted NO.

Further **ADVISORY** feedback was provided by the same participant groups stated above. The findings were as follows:

Three most important factors that should be considered when choosing which school(s) to close:

- **Composite community engagement meetings:** Ranked #1: smallest enrollment (69); oldest/greatest need (56); lowest geographic risk (41); closest to another school (31). Composite ranking of #1 + #2 + #3: oldest/greatest need: 196; smallest enrollment: 172; closest to another school: 144; lowest geographic risk: 128.

- **Administrative team meeting: Ranked #1: lowest geographic risk (6); #2 least flexible for future programming (3); smallest overall capacity (2). Composite ranking of #1 + #2 + #3: least flexible for future programming (10); lowest geographic risk (8); smallest overall capacity (6) AND oldest/greatest need (6).**
- **Composite school faculty meetings: Ranked #1: lowest geographic risk (63); closest to another school (33); oldest/greatest need (29). Composite ranking #1 + #2 + #3: oldest/greatest need (132); lowest geographic risk (129); closest to another school (111).**

PROJECT CONSULTANTS RATING OF SCHOOL CLOSING FACTORS

The Project Consultant was impressed by the ADVICE that emanated from the community engagement meetings and school personnel meetings regarding the rating of factors the school district administrators (and the Project Consultant) should CONSIDER in making recommendations to the School Board on those schools to be closed (if any). It was apparent there was a good grasp of the issues (particularly, the perceived wisdom/necessity of closing schools as an alternative to further, deeper General Fund budget reductions). While there would be expected variance on the rating of school closing factors by such diverse groups, the advising groups relatively consistently rated LOWEST GEOGRAPHIC RISK and OLDEST/GREATEST NEED among the highest three factors to be considered in identifying schools to be closed. These were consistent with two of the three highest rated factors employed by the Project Consultant in preparing recommendations to the Superintendent and School Board on potential school closings.

The Project Consultant (also Facilitator), a Third Party Neutral, rated the following as the most critical factors he employed in tendering

recommendations on those schools to be closed in Burnsville-Eagan-Savage School District 191:

1-Geographic risk

2-Oldest, least modern, least flexible

3-Smallest capacity (See square footage)

4-Smallest enrollment

5-Least cost/effective; costly to operate

An explanation of the Project Consultant's logic in selecting the factors and their comparative rating sequence is provided as follows:

Geographic risk – in this Project Consultant's estimation - is clearly the most critical factor in that a miscalculation on selecting a building for closure could result in revenue loss through open enrollment out-migration that may offset revenue savings that were anticipated as a result of the school closure.

When downsizing, the oldest, least modern, and least flexible facility is virtually always the highest or among the highest candidates for closure. In fact, in the absence of geographic risk presented by another building, it is the most critical factor. It also represents the greatest potential future facility cost (remodeling) outlay for the school district if the school is retained in favor of an alternative closure.

Similar to the oldest, least modern, and least flexible facility, smaller school(s) are among the highest candidates for closure. All things being equal, school districts tend to retain their larger (capacity), more cost/effective facilities.

A school's smaller enrollment is a factor that is adjustable by simply altering the school district's boundary lines unless the school does not have the capacity to accept additional students (This is the reason smaller capacity is a higher priority factor than is smaller enrollment as a factor).

Closing the least cost/effective school is generally a function of a combination of some or all of the higher priority factors...facility age, small capacity, small enrollment.

PROJECT CONSULTANT'S RECOMMENDATIONS ON SCHOOL CLOSINGS

Elementary Schools

Based on an examination of the school district's ten elementary schools, the Project Consultant identified four schools worthy of initial consideration for closure: Rahn; Marion W. Savage; Sioux Trail; and Vista View. Worthiness of consideration was determined by each of the four schools meeting multiple factors listed above.

While it is the school district's smallest elementary school, Rahn Elementary School was eliminated from consideration for a recommendation to close because of the Project Consultant's (and others') assessment that it was highly vulnerable to Factor 1 – geographic risk.

Marion W. Savage Elementary School was identified by the Project Consultant for a recommendation to close because it significantly demonstrates Factors 2, 4, and 5. Factor 2 is a significant consideration in formulation of the recommendation.

Sioux Trail and Vista View Elementary Schools were likely candidates for a closure recommendation by the Project Consultant. Neither seems to pose a geographic risk (Factor 1) and their ages and additions are virtually identical (ST=1964/95; VV=1963/95) and their conditions are equivalent in quality (Factor 2). However, Vista View has a great capacity (80,069 sq. ft.) than Sioux Trail (75,790 sq. ft.)(Factor 3); a greater enrollment (VV=338; ST=303)(Factor 4); and lower utility costs (VV=\$67,559; ST=\$71,319); lower utility costs/student (VV=\$200/student; ST=\$235/student); lesser square feet/student (VV=236.9 sq. ft.; ST=250.1 sq. ft.) (Factor 5).

Sioux Trail Elementary School was identified by the Project Consultant for a recommendation to close.

It should be noted that the two elementary schools recommended for closure (Sioux Trail and Marion W. Savage) are the second and third smallest enrolled schools in the school district. Closure of the two schools will result in displacement of the fewest number of elementary school students than from any other combination of schools in the school district (excepting with a closure of Rahn Elementary School; See above regarding Rahn).

Middle School

Regarding a middle school closure, the Project Consultant recommends the closure of Metcalf Middle School. The factors that weighed most heavily in selecting Metcalf Middle School as the school preferred for closing were (1) the school is the oldest among the three middle schools, (2) its enrollment is the smallest, (3) it has the highest utility cost/square foot (least cost/effective), (4) it has the second smallest capacity, and (5) it has the second highest number of square feet/student. Other salient factors that impacted the Project Consultant's recommendation included (1) Eagle Ridge Middle School is the newest, most modern day, middle level facility and (2) Nicollet Middle School is the largest of all middle level facilities, is the center for district food service production, and its operation is pivotal in providing utilities to its site sister, Sky Oaks Elementary School.

Diamondhead Education Center

The closure of Diamondhead Education Center was recommended by the Project Consultant. There are, minimally, three undergirding reasons for that recommendation.

- The Diamondhead facility may very well represent a significant asset for the school district if successfully marketed and sold for commercial development.**

- **The Diamondhead is costly to operate. By traditional school standards, it is cost/ineffectively operated (not through mismanagement but an inability to achieve maximum utilization).**
- **The Project Consultant's recommendation regarding the closing of one of the school district's middle schools was predicated on (1) the perceived cost/ineffectiveness of all three middle schools (because of declining enrollment) and (2) an assumption that the closed middle school would become the future home base for the school district's Superintendent, School Board, and administrative staff and the personnel, programs, and services currently housed in the Diamondhead Education Center. It would be imprudent for the school district to close Metcalf Middle School and allow it to sit idle because it is a valuable resource to the school district.**
- **It bears mention, however, that an FULLY ACCEPTABLE ALTERNATIVE to the closing and relocation of the Diamondhead Education Center's programs, services, and personnel (that may not be practical within an abbreviated time span) which may well satisfy the need to achieve the cost/effective operation of the (former) Metcalf Middle School could be relocating the school district's Alternative High School and BEST Programs to the closed Middle School, engaging in further leasing of the facility in which one of the programs is located (Alternative High School facility is currently partially leased), leasing space in the (former) Metcalf Middle School, and embracing a range of other options that could include offering a centrally-located gifted/talented program (as an example; not a proposal), a magnet program (as an example), an early childhood center (freeing space at the Diamondhead Center for leasing)(as an example), or the like.**

